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FINAL VERSION

24 MAR 1981

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM: Harry E. Fitzwater
Director of Personnel Policy, Planning,
and Management

SUBJECT: Annual Personnel Plan and Report

1. Action Requested: A recommendation for your approval is contained in paragraph 4.

2. Background:

a. The Annual Personnel Plan and Report were instituted by former Director Colby in 1973 as a result of a major review of Agency personnel management and a study of new management approaches.

b. The Annual Personnel Plan (APP) is designed to focus attention of senior managers on the development of personnel management plans in their respective areas of responsibility. It is prepared on a fiscal year basis and deals with goal setting on important areas of concern to the manager, including but not limited to expected separations, goals for accessions and promotions, and various facets of the EEO program. The Annual Personnel Report (APR) also prepared by each of the Career Services provides an evaluation of accomplishments toward goals previously established and posted in the APP.

c. Mr. Colby personally reviewed the APP and the APR with the Deputy Directors each year. Subsequent Agency Directors retained them but did not pursue them in quite the same manner as Mr. Colby. They reviewed an annual overview report of a consolidated APR prepared by this Office and responded by expressing their particular interests or concerns in individual memorandums to each of the Deputies. Unfortunately, there were only infrequent follow-up discussions on these concerns with the Deputies. The overview report for FY 1980 is contained in Attachment A.

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3. Discussion:

a. There has been a lack of enthusiasm among managers for the APP and APR process. Many are inclined to think of it as a burden and in particular do not feel disposed to set forth an action plan specifically anticipating how a set of goals or objectives will be accomplished. In early 1979 the National Academy of Public Administration (NAPA) while engaged in reviewing Agency personnel management practices noted this lack of interest among Agency managers. They observed that the APP and APR, although useful management tools, "...had lost much of their utility to top management while imposing an unnecessary workload on those involved in their preparation." This Office helped to reduce the workload involved this year in producing the Career Service APRs by providing the preparers with statistical information compiled centrally from the Office of Personnel Policy, Planning, and Management data base.

b. We believe that much of this lack of interest stems from problems relating to the annual planning cycle. For the past several years internal reorganizations frequently have resulted in the movement of major Agency elements from one Career Service (Directorate) to another or in the creation of new and the discontinuance of old Agency components. This has not only interfered with Career Service personnel planning and goal setting but upsets the data base and complicates data retrieval and analysis. In addition, the impact of externally imposed periodic hiring freezes, cuts in authorized personnel ceiling, and pay "caps" on many of our senior officers has made valid goal setting on an annual basis unrealistic. Much of what Agency managers are trying to accomplish in the way of personnel objectives, e.g., increased minority representation, improved employee and managerial development, and a more efficient and effective workforce is more reliably measured over a longer term.

c. This year in preparing their Annual Personnel Report for FY 1980, Agency managers were encouraged to look back and view in retrospect how things have been going. Their reports represent an improved product as well as increased interest in the subject. The individual Career Service Annual Personnel Reports are contained in Attachment B. Our experience with the APP and APR since their introduction as management tools verifies their value but also verifies that without the active participation of senior management at both the Office and Directorate level, and appropriate accountability by top management they will not be effective.

Regardless of the difficulties, we recommend continuing the APP and APR process on an annual basis if you believe these programs could serve to provide the emphasis and direction you wish to exercise over Agency-wide personnel management programs. As an alternative, we would support an approach that would be favorably viewed by Agency managers, would be considerably less expensive to prepare and still be useful; i.e., require Career Services to submit their plans and reports periodically rather than annually, perhaps every three to five years. This is not to say that managerial responsibility will be lessened or in any way changed, but rather that managerial accountability would be measured over a longer time frame. This Office, of course, would continue to serve as the central control point for assuring uniformity in the application of Agency personnel policy.

4. Recommendations: It is recommended that you approve one of two alternative proposals regarding the use of the APP and the APR as a management tool. I recommend paragraph 4a.

a. The APP and APR should continue to be prepared by the Career Services each fiscal year.

() APPROVED () DISAPPROVED

b. The APP and APR should be prepared on a periodic basis at the call of the DDCI.

() APPROVED () DISAPPROVED

Harry E. Fitzwater

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Atts

The recommendations contained in paragraph 4 are approved/disapproved as indicated.

Deputy Director of Central Intelligence

Date

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